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WATER AND SEWER BOND SALES IN THE UNITED STATES

Public Health Service
Washington, D. C.

December 1962

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WATER AND SEWER BOND SALES IN THE UNITED STATES

January - December 1962

U. S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

Division of Water Supply and Pollution Control

Basic Data Branch

Washington 25, D. C.

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Public Health Service (Unnumbered Publication)

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July 1956 - June 1959
Public Health Service (Unnumbered Publication)

PUBLIC HEALTH SERVICE PUBLICATION No. 965
1962 Edition

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INTRODUCTION

This annual report of Water and Sewer Bond Sales in the United States contains data which are basic and necessary to the orderly and efficient management of water supply and pollution control programs. It reflects, in a measure, the extent of financing to fulfill these two important public services in a growing nation. The report also provides a ready source of economic reference for financial, investment and banking interests; for the building and contracting trades and professions; and for authorities responsible for providing public water supplies and sewerage systems. The publication series, over the years, is a good indicator of interest rate and construction cost trends in these two types of public utility.

The tables supplement the annual publication of contract award data, last reported in Sewage and Water Works Construction 1962. (PHS Publication No. 758). Similar tables which describe bonds sold between July 1956 and December 1961 are available. The basic information from which these tables were developed was obtained from the Investment Bankers Association by special arrangement. It is believed these tables present information not otherwise readily available.

Data are presented in three categories according to the use of the proceeds from the sale: (1) WATER when the bonds have been sold to finance water facilities; (2) SEWER, to finance sewage facilities; and (3) COMBINATION, to finance jointly water and sewage facilities where the portions attributable to each type are not designated. Data describing bonds sold to finance other types of construction in combination with water and/or sewage facilities construction are excluded. Data describing bonds sold to finance storm sewers are omitted, although these data are available.

It should also be noted that these data describe only those sales reported to the Investment Bankers Association, or assembled by that Association from available documents. Locally negotiated sales that may not be reported in bond publications or by State agencies responsible for controlling municipal bond sales are not included. Thus, these tabulations need to be considered as meaning "at least this much." By dollar value of sales, coverage is believed to be nearly complete.

Net interest cost figures shown on pages 7-9 are presented by month, by population of the issuer, by dollar size of the bond issue, by issuing authority, and by Moody rating. The figures listed are weighted averages, data being weighted by dollar amount of the issues. Similar tabulations are available for the years 1959 through 1961.

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Water and sewer bond sales for 1962 totaled $1,119 million which was a slight drop from 1961. Bonds for financing water facilities accounted for $418 million, while those for building sewage treatment facilities and laying collecting sewers amounted to $594 million. In addition, bonds totaling $107 million were intended for use in combination projects for both water and sewerage construction. California had the largest dollar volume of sales while Ohio had the largest number of issues. It is interesting to note that one sewer bond issue in Florida was secured through revenue obtained from cigarette taxes.

TOTAL BOND SALES
1957-1962
(Million Dollars)

BY YEAR

Year	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
1957.....	1,414	1,009	573	483	674	408	167	118
1958.....	1,492	1,045	610	405	715	526	167	114
1959.....	1,312	1,073	531	530	608	433	173	110
1960.....	1,382	1,003	587	499	614	389	181	115
1961.....	1,462	1,226	563	545	709	570	170	111
1962.....	1,240	1,119	495	418	606	584	139	107

BOND SALES
January-December 1962
(Thousand Dollars)

BY MONTH

Month	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
January.....	85	53,223	37	9,250	40	42,185	8	1,788
February.....	92	106,003	36	37,187	48	63,131	8	5,685
March.....	105	93,156	42	36,091	44	44,209	19	12,856
April.....	112	132,290	48	44,364	57	67,752	7	20,174
May.....	127	140,063	50	59,455	65	72,142	12	8,466
June.....	121	101,163	49	39,508	54	51,480	18	10,175
July.....	120	115,497	46	38,795	51	53,961	21	22,741
August.....	119	57,910	51	25,656	57	28,598	11	3,656
September.....	91	62,390	27	24,977	52	31,527	12	5,886
October.....	79	58,107	31	18,312	40	36,368	8	3,427
November.....	89	133,346	39	70,110	47	54,204	3	9,032
December.....	100	66,224	37	14,225	51	48,597	12	3,402
Total	1,240	1,119,372	495	417,930	606	594,154	139	107,288

BY ISSUING AUTHORITY

Issuing Authority	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
State.....	2	8,385	1	75	---	---	1	8,310
County.....	35	61,774	9	16,071	22	38,643	4	7,060
Municipality.....	913	672,542	362	253,927	429	333,105	122	85,510
Township.....	33	18,465	16	4,499	15	12,726	2	1,240
Special District.....	213	243,585	96	103,811	109	134,936	8	4,838
Statutory Authority....	44	114,621	11	39,347	31	74,744	2	330
Total.....	1,240	1,119,372	495	417,930	606	594,154	139	107,288

BOND SALES
January-December 1962
(Thousand Dollars)

BY POPULATION OF ISSUING AUTHORITY

Population	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
Under 10,000	469	134,732	193	37,366	207	51,805	69	25,561
10,000-25,000	152	83,328	66	30,730	69	40,581	17	12,015
25,000-50,000	61	68,296	33	31,594	42	32,272	6	4,390
50,000-100,000	84	93,189	31	31,401	50	60,273	3	1,515
100,000-250,000	50	131,722	21	60,230	25	57,477	4	14,015
250,000-500,000	35	115,588	12	41,366	20	68,262	3	5,960
500,000-1,000,000	23	134,666	9	73,893	12	27,436	2	13,337
Over 1,000,000	27	124,363	8	38,150	17	66,233	2	19,980
Unidentified	339	272,933	122	73,200	164	183,815	33	9,923
Total	1,240	1,119,372	495	417,930	606	584,154	139	107,288

BY BOND ISSUE SIZE

Dollar size of bond issue	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
Under 50,000	195	4,865	80	2,226	97	2,530	6	229
50,000-100,000	162	11,134	66	4,607	80	5,737	16	1,870
100,000-200,000	206	27,819	91	12,432	96	11,718	27	3,669
200,000-500,000	260	82,373	103	32,631	123	37,239	34	12,499
500,000-1,000,000	160	108,348	50	35,533	83	54,436	27	18,379
1,000,000-2,000,000	118	162,249	51	68,161	53	74,446	14	19,642
2,000,000-5,000,000	67	237,114	27	76,742	36	147,908	4	12,463
5,000,000-10,000,000	35	240,300	11	73,705	22	151,610	2	15,185
Over 10,000,000	16	224,470	6	111,890	6	98,510	2	24,070
Total	1,240	1,119,372	495	417,930	606	584,154	139	107,288

BY STATE

State	Total		Water		Sewers		Combinations	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
Alabama	8	7,397	5	6,972	1	70	2	355
Alaska	5	3,240	2	1,100	3	2,140	---	---
Arizona	7	39,032	5	36,175	1	57	1	770
Arkansas	2	3,063	---	---	2	3,063	---	---
California	76	139,719	49	67,034	27	31,685	---	---
Colorado	34	28,135	12	27,800	2	335	---	---
Connecticut	13	16,610	2	2,210	11	14,400	---	---
Dist. of Columbia	---	---	---	---	---	---	---	---
Delaware	3	770	1	75	2	695	---	---
Florida	21	36,727	5	2,693	7	27,500	9	6,534
Georgia	8	19,676	2	1,936	1	5,750	5	11,990
Hawaii	---	---	---	---	---	---	---	---
Idaho	6	1,456	3	325	2	116	3	1,015
Illinois	71	73,166	26	13,243	28	51,476	17	8,443
Indiana	31	57,252	5	8,442	26	48,810	---	---
Iowa	43	11,537	9	1,537	34	10,000	---	---
Kansas	50	17,132	9	10,157	41	6,975	---	---
Kentucky	23	8,796	8	3,665	8	1,419	7	3,712
Louisiana	23	6,652	11	3,015	11	3,152	1	435
Maine	4	1,640	3	1,500	1	140	---	---
Maryland	8	25,408	2	10,000	5	15,280	1	128
Massachusetts	64	29,678	47	11,933	37	17,745	---	---
Michigan	64	74,188	32	20,266	28	52,371	4	1,551
Minnesota	40	22,470	28	8,667	19	12,263	3	560
Mississippi	17	6,926	6	4,135	2	250	9	2,541
Missouri	27	35,113	9	7,227	10	26,444	8	1,442
Montana	9	2,056	6	1,936	3	120	---	---
Nebraska	6	13,180	1	900	5	12,280	---	---
Nevada	2	1,902	---	---	2	1,902	---	---
North Carolina	41	15,926	19	7,296	21	8,580	1	52
North Dakota	6	543	3	112	3	431	---	---
New Hampshire	3	1,725	1	200	2	1,525	---	---
New Jersey	47	29,386	24	12,001	22	17,305	1	80
New Mexico	2	1,111	---	---	2	1,111	---	---
New York	60	36,878	33	23,284	24	30,953	3	2,641
Ohio	117	39,829	36	5,328	81	32,954	2	1,067
Oklahoma	54	16,359	23	7,521	29	8,473	2	365
Oregon	29	7,922	16	4,018	12	3,882	1	22
Pennsylvania	34	71,133	7	10,778	25	40,377	2	19,980
Puerto Rico	2	14,000	---	---	2	14,000	---	---
Rhode Island	6	5,680	3	3,250	3	2,630	---	---
South Carolina	13	6,382	6	2,635	5	2,877	2	870
South Dakota	6	374	3	250	3	124	---	---
Tennessee	10	12,383	2	480	4	2,730	4	9,375
Texas	77	83,259	21	51,377	15	5,254	41	26,628
Utah	4	10,420	1	20	2	9,500	1	900
Vermont	3	1,227	---	---	3	1,227	---	---
Virginia	14	26,640	3	6,785	7	18,450	4	1,405
Washington	29	34,285	10	5,127	14	26,511	5	2,647
West Virginia	4	6,598	1	785	3	5,813	---	---
Wisconsin	7	15,149	3	2,510	4	12,639	---	---
Wyoming	3	800	2	650	1	150	---	---
TOTAL	1,240	1,119,372	495	417,830	606	594,154	139	107,288

BOND SALES
January-December 1962
(Thousand Dollars)

BY TYPE OF ISSUE

Type of Issue	Total		Water		Sewer		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
General Obligation Bonds								
Unlimited Tax	744	624,609	321	253,598	392	342,049	31	28,962
Unlimited Tax Secured by:								
Utility Revenue	1	129	1	129	---	---	---	---
Special Assessment	47	6,994	9	689	38	6,305	---	---
Utility and Special Tax Revenue	3	2,236	1	272	2	1,964	---	---
Limited Tax- Special Assessments	3	217	---	---	3	217	---	---
Limited Tax	47	40,413	19	7,174	27	33,039	1	200
Limited Tax Secured by Special Assessments	46	10,872	12	1,696	34	7,931	2	1,047
Revenue Bonds								
Utility Revenue	342	424,722	132	154,174	106	186,609	106	75,939
Quasi-Utility Revenue	1	1,140	---	---	---	---	1	1,140
Special Tax Revenue (Florida)	1	1,500	---	---	1	1,500	---	---
Utility Revenue Secured by Special Tax Revenue	3	4,560	---	---	3	4,560	---	---
TOTAL	1,240	1,119,372	495	427,930	606	584,154	139	107,288

GENERAL OBLIGATION BOND SALES
January-December 1962
(Thousand Dollars)

BY NET INTEREST COST RANGES

Net Interest Cost Range Midpoint (Percent)	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
1.500	---	---	---	---	---	---	---	---
1.750	---	---	---	---	---	---	---	---
2.000	5	4,865	1	200	4	4,665	---	---
2.250	19	3,753	6	640	13	3,113	---	---
2.500	31	23,095	15	6,603	16	16,492	---	---
2.750	101	78,929	29	15,460	67	62,905	5	564
3.000	151	203,345	57	92,274	90	97,644	4	13,427
3.250	141	150,530	59	71,261	77	76,378	5	2,891
3.500	112	79,396	44	37,964	66	40,262	2	1,170
3.750	68	47,324	37	16,655	29	30,199	2	470
4.000	48	43,151	24	7,601	22	34,852	2	698
4.250	12	1,605	6	1,127	6	478	---	---
4.500	7	990	3	340	4	390	---	---
4.750	5	376	1	65	3	201	1	110
5.000	1	110	1	110	---	---	---	---
5.250	1	939	1	939	---	---	---	---
5.500	---	---	---	---	---	---	---	---
5.750	---	---	---	---	---	---	---	---
6.000	1	40	1	40	---	---	---	---
6.250	---	---	---	---	---	---	---	---
6.500	---	---	---	---	---	---	---	---
6.750	---	---	---	---	---	---	---	---
7.000	---	---	---	---	---	---	---	---
N.I.C. Unknown	190	49,066	78	12,261	99	25,906	13	10,879
TOTAL	893	687,470	363	263,736	496	393,505	34	30,209

REVENUE BOND SALES
January-December 1962
(Thousand Dollars)

BY NET INTEREST COST RANGES

Net Interest Cost Range Mid-point (Percent)	Total		Water		Sewers		Combination	
	No.	Dollars	No.	Dollars	No.	Dollars	No.	Dollars
1.500	---	---	---	---	---	---	---	---
1.750	---	---	---	---	---	---	---	---
2.000	---	---	---	---	---	---	---	---
2.250	---	---	---	---	---	---	---	---
2.500	---	---	---	---	---	---	---	---
2.750	4	2,430	2	1,075	1	805	1	550
3.000	14	43,588	6	19,130	5	6,888	3	19,570
3.250	37	87,651	21	47,003	9	33,248	7	5,400
3.500	49	100,334	12	19,259	20	58,645	17	21,430
3.750	65	80,939	23	25,133	23	44,374	19	11,432
4.000	40	43,030	16	19,813	13	17,832	9	5,345
4.250	18	14,769	6	6,436	7	5,696	3	617
4.500	4	778	1	483	1	13	2	280
4.750	1	465	1	465	---	---	---	---
5.000	1	8	1	8	---	---	---	---
5.250	---	---	---	---	---	---	---	---
5.500	---	---	---	---	---	---	---	---
5.750	---	---	---	---	---	---	---	---
6.000	---	---	---	---	---	---	---	---
6.250	---	---	---	---	---	---	---	---
6.500	---	---	---	---	---	---	---	---
6.750	---	---	---	---	---	---	---	---
7.000	---	---	---	---	---	---	---	---
N.I.C. Unknown	134	55,910	41	13,277	29	30,178	44	12,455
Total	367	431,902	132	156,176	110	200,649	105	77,079

BOND SALES
NET INTEREST COST
January-December 1962
(Percent)

BY MONTH

Month	Total		Water		Sewer	
	General Obligation	Revenue	General Obligation	Revenue	General Obligation	Revenue
January	3.47	3.36	3.37	3.87	3.10	3.34
February	3.16	3.36	3.31	3.68	3.06	3.48
March	3.15	3.77	3.19	3.92	3.06	3.72
April	2.94	3.41	3.05	3.36	2.82	3.30
May	3.20	3.42	3.30	3.34	3.26	3.61
June	3.27	3.76	3.39	3.89	3.23	3.35
July	3.36	3.59	3.46	3.64	3.42	3.96
August	3.21	3.71	3.26	3.72	3.18	3.60
September	3.09	3.55	3.12	3.36	3.01	4.04
October	3.01	3.48	3.13	3.26	2.92	3.48
November	3.06	3.43	3.05	3.06	3.10	3.61
December	3.26	3.47	3.33	3.24	3.23	3.39

BOND SALES
NET INTEREST COST
January-December 1962
(Percent)

BY POPULATION OF ISSUING AUTHORITY

Population of Issuing Authority	Total		Water		Sewer	
	General Obligation	Revenue	General Obligation	Revenue	General Obligation	Revenue
Under 10,000.....	3.48	3.82	3.61	3.77	3.41	3.96
10,000 - 25,000.....	3.31	3.60	3.36	3.72	3.28	3.36
25,000 - 50,000.....	3.05	3.50	3.16	3.41	2.93	3.59
50,000 - 100,000.....	3.12	3.53	3.23	3.57	3.09	3.43
100,000 - 250,000....	3.15	3.43	3.23	3.46	3.12	4.34
250,000 - 500,000....	3.06	3.43	3.16	3.53	3.00	3.37
500,000 - 1,000,000..	3.00	3.05	3.03	3.07	2.91	---
Over 1,000,000.....	3.12	3.21	3.13	3.21	3.13	3.62
Unidentified.....	3.37	3.62	3.26	3.61	3.44	3.63

BY DOLLAR SIZE OF ISSUE

Dollar size of bond issue	Total		Water		Sewer	
	General Obligation	Revenue	General Obligation	Revenue	General Obligation	Revenue
Under 50,000.....	3.26	3.73	3.43	3.72	3.16	3.59
50,000 - 100,000.....	3.30	3.80	3.35	4.12	3.29	3.36
100,000 - 200,000....	3.23	3.77	3.28	3.73	3.16	3.73
200,000 - 500,000....	3.25	3.71	3.29	3.66	3.21	3.88
500,000 - 1,000,000..	3.30	3.67	3.31	3.65	3.20	3.69
1,000,000 - 2,000,000	3.27	3.62	3.34	3.57	3.06	3.73
2,000,000 - 5,000,000	3.17	3.65	3.19	3.76	3.13	3.66
5,000,000-10,000,000.	3.00	3.46	2.92	3.42	3.02	3.50
Over 10,000,000.....	3.29	3.28	3.12	3.24	3.89	3.37

BOND SALES
NET INTEREST COST
January-December 1962
(Percent)

BY ISSUING AUTHORITY

Issuing Authority	Total		Water		Sewer	
	Government Obligation	Revenue	Government Obligation	Revenue	Government Obligation	Revenue
State.....	2.77	---	2.77	---	---	---
County.....	3.32	3.82	3.57	4.14	3.27	3.62
Municipality.....	3.07	3.48	3.15	3.44	3.02	3.55
Township.....	3.50	3.73	3.47	3.79	3.51	---
Special District....	3.35	3.84	3.27	3.78	3.40	3.91
Statutory Authority.	3.11	3.57	3.10	3.44	3.25	3.60

BY MOODY RATING

Moody Rating	Total		Water		Sewer	
	General Obligation	Revenue	General Obligation	Revenue	General Obligation	Revenue
AAA.....	2.91	2.86	3.05	---	2.81	2.86
AA.....	3.09	3.14	3.00	3.20	3.19	3.16
A.....	3.15	3.36	3.21	3.29	3.13	3.42
BAA.....	3.46	3.68	3.45	3.81	3.47	3.54
BA.....	3.89	4.05	3.85	---	3.92	4.34
Unknown.....	3.34	3.76	3.45	3.89	3.25	3.73

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